



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 24, 2000

### **S. 2300** **Coal Market Competition Act of 2000**

*As ordered reported by the Senate Committee on Energy and Natural Resources  
on July 13, 2000*

CBO estimates that implementing S. 2300 would not affect federal spending. Because S. 2300 could affect direct spending, pay-as-you-go procedures would apply. CBO expects, however, that any change in direct spending would not be significant. S. 2300 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would have no significant impact on the budgets of state, local, or tribal governments.

S. 2300 would increase the maximum acreage of federal coal leases any single producer may hold by about 60 percent within any one state and by 50 percent nationally. According to the Bureau of Land Management, enacting S. 2300 would allow individual mining companies more flexibility to merge with other companies holding coal leases, but is unlikely to affect the overall amount of federal acreage leased for coal mining. Such mergers could affect companies' bids for coal leases, and thus could change the government's offsetting receipts (a credit against direct spending). CBO estimates, however, that enacting S. 2300 would not have any significant impact on federal receipts from coal leaseholders or subsequent payments to states that share those receipts.

The CBO staff contact is Megan Carroll. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.